



UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

January 2023 Grand Jury

UNITED STATES OF AMERICA,

Plaintiff,

v.

TERRY WILSON,

Defendant.

ED CR No. 5:24-cr-00026-ODW

I N D I C T M E N T

[18 U.S.C. § 1343: Wire Fraud; 18
U.S.C. § 981(a)(1)(C), 28 U.S.C.
§ 2461(c): Criminal Forfeiture]

The Grand Jury charges:

COUNTS ONE THROUGH THREE

[18 U.S.C. § 1343]

A. INTRODUCTORY ALLEGATIONS

At times relevant to this Indictment:

1. The Railroad Unemployment Insurance Act ("RUIA"), as amended (45 U.S.C. § 351 et. seq.), provided benefits for unemployed railroad workers and was administered by the Railroad Retirement Board ("RRB"). This program was financed by taxes paid by railroad employers.

2. Persons applying for unemployment benefits under RUIA ("UI benefits") were required to submit an application for the benefits to

1 the RRB. An unemployment benefits claimant was required to answer
2 various questions on his/her application to establish his/her
3 eligibility for the benefits. Among other things, the claimant was
4 required to provide personal identifying information ("PII")
5 (including the applicant's name, date of birth, and social security
6 number), and certify to RRB that they would immediately report any
7 changes which might affect their entitlement to benefits, and that
8 they reviewed the requirements of eligibility for UI benefits. As
9 such, claimants had a duty to disclose such changes to RRB.

10 3. To be eligible to receive UI benefits, the claimant must,
11 among other things: (1) be unemployed and receive no wages, salary,
12 vacation pay, or any other remuneration from any employer for the
13 days benefits were claimed; (2) be able to work (not sick or
14 injured); and (3) be ready and willing to work.

15 4. In addition to submitting an application for UI benefits, a
16 claimant under RUIA was required to submit periodic claims for
17 unemployment benefits, where the claimant was required to affirm the
18 specific days of claimed unemployment for the prior two weeks. Each
19 claim form contained a certification that the claimant affirmed,
20 including: (1) the claimant had not worked on any day they claimed to
21 be unemployed; and (2) the claimant was ready and willing to work on
22 all days claimed. The certification also required the claimant to
23 state that the information he or she submitted on the claim form was
24 true, correct, and complete.

25 5. On June 19, 2019, defendant TERRY WILSON signed an UI
26 benefit application with RRB, which he submitted to RRB. A few days
27 later, on June 21, 2019, he signed a Certification and Authorization
28 form which he provided to the RRB, which stated that he understood

1 that to receive UI benefits, he had to be "UNEMPLOYED, ABLE TO WORK,
2 and READY AND WILLING TO WORK on all days" for which he claimed
3 benefits.

4 6. On March 13, 2020, the President of the United States
5 declared the ongoing COVID-19 pandemic to be an emergency under
6 Section 501(b) of the Robert T. Stafford Disaster Relief and
7 Emergency Assistance Act.

8 7. On March 27, 2020, the Coronavirus Aid, Relief, and
9 Economic Security Act ("CARES Act") was signed into law. The CARES
10 Act created the Pandemic Unemployment Assistance program, which
11 provided unemployment benefits to individuals not eligible for
12 regular unemployment compensation or extended benefits, as well as
13 supplemented other existing unemployment benefits programs, including
14 those that benefited railroad workers.

15 8. For unemployed railroad workers qualified to receive UI
16 benefits under RUIA, the CARES Act authorized additional payments and
17 the payment of extended benefits to railroad workers who received
18 unemployment benefits between July 1, 2019 and June 30, 2020. The
19 RRB started paying extended unemployment benefits on May 11, 2020,
20 beginning with retroactive payments to individuals who had previously
21 exhausted their regular unemployment benefits, before moving on to
22 new claims.

23 9. UI benefits under the RUIA were paid out by the RRB via a
24 Department of the Treasury bank account located in Kansas City,
25 Missouri.

26 10. Defendant WILSON maintained a bank account at Wells Fargo
27 Bank, ending in 7857, that was located in Riverside, California.
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1 B. THE SCHEME TO DEFRAUD

2 11. Beginning on a date unknown to the Grand Jury, but not
3 later than on or about December 3, 2019, and continuing through at
4 least to August 31, 2020, in Riverside County, within the Central
5 District of California, and elsewhere, defendant WILSON, knowingly
6 and with intent to defraud, devised, participated in, and executed a
7 scheme to defraud the RRB, and to obtain money and property from the
8 RRB by means of materially false and fraudulent pretenses,
9 representations, promises, and the concealment of material facts.

10 12. The scheme to defraud, operated, in substance, as follows:

11 a. Beginning no later than December 17, 2019 and
12 continuing through at least September 10, 2020, defendant WILSON
13 repeatedly submitted claims to RRB for UI benefits in which he
14 falsely claimed that he was unemployed and collected no income or
15 wages during the claimed benefit period.

16 b. Despite having a duty to disclose, defendant WILSON
17 concealed from the RRB that he was not actually unemployed during the
18 relevant period, in order to fraudulently collect UI benefits. In
19 fact, as defendant WILSON then knew, he was employed beginning no
20 later than December 17, 2019, and continuing until at least August
21 24, 2020.

22 13. As a result of the fraudulent scheme, defendant WILSON
23 submitted 18 false claims for UI benefits, resulting in the payment
24 of \$25,524.93 in UI benefits, which includes \$12,000 in CARES Act
25 benefits that defendant WILSON was not entitled to.

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C. THE USE OF THE WIRES

14. On or about the following dates, in Riverside County, within the Central District of California, defendant WILSON, for the purpose of executing the above-described scheme to defraud, caused the transmission of the following items by means of wire communication in interstate commerce from the Kansas City Financial Center of the Department of Treasury, located in the State of Missouri, to a Wells Fargo Bank located in Riverside, California, where defendant WILSON maintained a checking account ending in 7857:

Count	Date	Item
ONE	01/17/2020	An electronic wire transfer of \$733.98 from Kansas City, Missouri, to defendant WILSON's Wells Fargo Bank account in Riverside, California
TWO	06/05/2020	An electronic wire transfer of \$3,600 from Kansas City, Missouri, to defendant WILSON's Wells Fargo Bank account in Riverside, California
THREE	09/10/2020	An electronic wire transfer of \$752.80 from Kansas City, Missouri, to defendant WILSON's Wells Fargo Bank account in Riverside, California

FORFEITURE ALLEGATION

[18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c)]

1. Pursuant to Rule 32.2 of the Federal Rules of Criminal Procedure, notice is hereby given that the United States of America will seek forfeiture as part of any sentence, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), in the event of the defendant's conviction of the offenses set forth in any of Counts One through Three of this Indictment.

2. The defendant, if so convicted, shall forfeit to the United States of America the following:

(a) All right, title, and interest in any and all property, real or personal, constituting, or derived from, any proceeds traceable to the offenses; and

(b) To the extent such property is not available for forfeiture, a sum of money equal to the total value of the property described in subparagraph (a).

3. Pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c), the defendant, if so convicted, shall forfeit substitute property, up to the value of the property described in the preceding paragraph if, as the result of any act or omission of the defendant, the property described in the preceding paragraph or any portion thereof (a) cannot be located upon the exercise of due diligence; (b) has been transferred, sold to, or deposited with a third party; (c) has been placed beyond the jurisdiction of the court; (d) has been

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Foreperson /s/

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